

...assets," see revisor's note to § 1-101(v).

3-103. CONSIDERATION FOR STOCK.

IN A CONSOLIDATION OR MERGER, STOCK IN A CORPORATION MAY BE EXCHANGED FOR OR CONVERTED INTO AND, IN A TRANSFER OF ASSETS, ASSETS MAY BE TRANSFERRED IN CONSIDERATION OF ANY COMBINATION OF THE FOLLOWING:

- (1) STOCK, EVIDENCE OF INDEBTEDNESS, OR OTHER SECURITIES OF THE SUCCESSOR OR ANY OTHER CORPORATION OR ENTITY, WHETHER OR NOT A PARTY TO THE TRANSACTION;
- (2) OTHER TANGIBLE OR INTANGIBLE PROPERTY;
- (3) MONEY; AND
- (4) ANY OTHER CONSIDERATION.

REVISOR'S NOTE: This section is new language derived without substantive change from the last paragraph of Art. 23, § 65(a). Item (1) of this section combines paragraphs (i) and (ii) of the present law.

The Comment to Art. 23, §65 indicates that this provision was enacted "to give clear legal sanction to securities transactions commonly involved in consolidations, mergers, etc." (Emphasis added.) For this reason, the Commission decided to retain the listing basically as written.

For an explanation of the phrase "transfer ...assets," see revisor's note to §1-101(v).

3-104. NON-APPLICABILITY TO TRANSFERS IN ORDINARY COURSE OF BUSINESS AND MORTGAGES.

(A) STOCKHOLDER APPROVAL AND ARTICLES NOT REQUIRED.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, UNLESS THE CHARTER OR BYLAWS OF A CORPORATION PROVIDE OTHERWISE, THE APPROVAL OF THE STOCKHOLDERS AND ARTICLES OF TRANSFER ARE NOT REQUIRED FOR ANY:

(1) TRANSFER OF ASSETS BY A CORPORATION IN THE ORDINARY COURSE OF BUSINESS ACTUALLY CONDUCTED BY IT;  
OR

(2) MORTGAGE, PLEDGE, OR CREATION OF ANY OTHER SECURITY INTEREST IN ANY OR ALL OF THE ASSETS OF A CORPORATION, WHETHER OR NOT IN THE ORDINARY COURSE OF ITS BUSINESS.